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IN THE  
**Supreme Court of the United States**

OCTOBER TERM, 1943

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No. 240

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TRUMAN B. WAYNE

*Petitioner*

v.

WILLIAM W. ROBINSON, JR., and  
THE TEXAS COMPANY

*Respondents*

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**BRIEF OF RESPONDENTS IN OPPOSITION TO  
PETITION FOR A WRIT OF CERTIORARI**

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RAYMOND F. ADAMS  
LEE B. KEMON  
*Counsel for Respondents.*

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**Statement Of The Case**

Petitioner grounds his request for a writ upon an assertion, appearing throughout his petition and brief, to the effect that defendant, Standard Oil Development Company, is a person having no interest in the litigation and therefore not an "adverse party" within the meaning of Section 4915 R. S. (U. S. C. Title 35, Section 63).

In support of this assertion petitioner relies entirely on the facts that Standard Oil Development Company (hereinafter referred to as Standard) obtained no award in the Patent Office and defaulted in answering in the present action (Pet. p. 11).

The proceedings in the Patent Office, however, show that up to the bringing of the present action, defendant, Stan-

dard, actively sought an award of priority in the interference proceedings and asserted its claim to a patent for the invention of its assignor, Cannon.

The present action grows out of a three-party interference in the Patent Office declared in July, 1936. The original parties were the petitioner, Wayne; the respondents' assignor Robinson; and the party, Ayers. Cannon, Standard's assignor, was added as a fourth party in January, 1937. The interference was contested by all four parties before the Examiner of Interferences and by Wayne, by Robinson and by Cannon, Standard's assignor, before the Board of Appeals of the Patent Office.\*

Standard, here asserted to have no interest at stake and to have been brought into the present case as a mere artifice to give the Court jurisdiction (Pet. p. 4, 11), filed a printed brief of some ninety pages in length before the Examiner of Interferences and a further printed brief of some sixty pages in length before the Board of Appeals. Following the adverse decision of the Board it was not content to rest but filed a petition for reconsideration. Thus, throughout the proceedings in the Patent Office, Standard actively asserted rights with respect to the invention which was the subject matter of the interference proceeding.

After the decision of the Board of Appeals which awarded priority as to all but two of the counts to petitioner, respondent appealed to the Court of Customs and Patent Appeals as permitted by Section 4911 R. S. (U. S. C. Title 35, Section 59a) seeking an award of priority against Wayne and against Cannon, Standard's assignor, as to all counts in issue. Petitioner, not being willing to have the matter determined by the Court of Customs and Patent Appeals, exercised his right of election

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\*The party, Ayers, took testimony in the interference proceeding but defaulted at final hearing before the Examiner of Interferences. The interference thereupon proceeded before the Board of Appeals as a three-party interference.

to have further proceedings conducted as provided in Section 4915 R. S. and filed the required notice with the Commissioner of Patents. The proceedings in the Court of Customs and Patent Appeals were thereupon dismissed as provided in Section 4911 R. S. and respondents were required to bring suit by a bill in equity in the United States District Court having cognizance of such action (Section 4915 R. S.).

Petitioner, being a resident of Texas, and the third party to the interference, namely, Standard, being a corporation of Delaware, respondent brought its suit under the Act of March 3, 1927 (U. S. C. Title 35, Section 72a) in the District Court of the United States for the District of Columbia. The relief sought in that suit is again an adjudication that respondent is entitled to an award of priority against both Wayne and Standard and an authorization to the Commissioner to issue a patent to respondent (Complaint, R. 2-4).

Petitioner moved to dismiss on the ground that the District Court for the District of Columbia had no jurisdiction in that there were no "adverse parties residing in a plurality of districts not embraced within the same state."

### **The Decisions Below**

The District Court (Justice Jennings Bailey) sustained petitioner's contention. The single paragraph of the District Court's opinion which ruled on the question of jurisdiction reads as follows (R. 15):

"On the question of jurisdiction I agree with the dissenting opinion in the case of Nachod et al. v. Automatic Signal Corp., 105 Fed. 2nd 981 and 984 to the effect that an exclusive licensee is not an 'adverse party,' within the meaning of §72(a), U. S. C. A."

There is no issue here as to an exclusive licensee. Standard is the assignee of Cannon and complaint pleads that

Standard is the present owner of the Cannon application (R. 2-3). The majority opinion in the case relied upon by the District Court does not support petitioner's contention. See discussion post page 6.

The Court of Appeals in reversing the District Court (R. 20-22) held that the *owner* of an application which was in interference in the Patent Office was an adverse "party" within the meaning of the statute, stating:

"We have no doubt that one who is 'the present owner of the title' to one of the applications which were joined in an interference proceeding is an adverse party, within the meaning of the statute, when joined as a party in a Section 4915 proceeding to challenge the decision in the Patent Office."

### The Question Presented

The single question raised by the petition is predicated upon the frequently repeated but unsupported assertion that defendant Standard has no interest in this litigation (Pet. p. 3, 4, 6, 8, 10-11). Neither the facts nor the law sustain petitioner. As we have pointed out (ante page 2), Standard had such an interest at stake that it continued its contest in the interference proceeding through the Board of Appeals of the Patent Office.

The authorities are in accord that the mere fact that a party to an interference was defeated in the Patent Office does not make such party any less adverse in a subsequent proceeding under R. S. 4915. On the contrary, it was affirmatively held in *Cleveland Trust Co. v. Nelson*, 51 F. (2nd) 276, D. C. E. D. Mich., that the interests of a plaintiff in a 4915 action and that of a defeated applicant in an interference are clearly adverse. This was a three-party interference in which plaintiff and defendant Nelson had been defeated. The Court stated (p. 277-278):

"The plaintiff's assignor was a defeated applicant for a patent before the Patent Commissioner and the Board of Appeals. The defendant Nelson is also a defeated applicant, whose interests were adverse to the plaintiff's assignor. In this suit the interests of plaintiff and the defendant Nelson are clearly adverse."

The Court of Appeals for the Second Circuit in *Hazeltine Corporation v. White*, 68 F. (2nd) 715, pointed to the reason why all claimants to a patent are indispensable in a 4915 action and to that extent are adverse to each other. That Court stated (716):

"Any decree which authorized the issuance of the patent to one party to the suit would to the same extent deny the right of the adverse parties to the patent, whether they were present or absent. \* \* \* No one is ever to be granted a patent simply by showing that another is not entitled to it. The basis of the grant is the statutory proof of a right, as against all the world, to a monopoly created by statute. \* \* \*"

Petitioner's contention, if accepted, would lead to the extraordinary conclusion pointed out by the District Court in *Hazeltine v. White*, 2 F. Supp. 94, where it said (p. 95):

"The question narrows itself to this: Do the rights accruing to Daley and Roberts under section 4915, to bring suit similar to the cause instituted by plaintiff, make them adverse parties within the meaning of the section? If this Court has jurisdiction of the present suit, it likewise would have jurisdiction in suits which might be brought by Daley and Roberts against White. Conceivably, if the three causes, instead of one, were tried, it would be possible to reach the ridiculous conclusion that Trube was earlier than White, and, therefore, was entitled to the patent; that Daley was prior to White, and that he was entitled to a patent; and, thirdly, that Roberts was prior to White, and that



he was entitled to a patent. Thus this Court would be certifying to the Commissioner of Patents in effect, if such procedure were followed, that each of the unsuccessful parties was entitled to a patent as against White. The result is a legal absurdity.

Hence it must be concluded that so long as Daley and Roberts have the right afforded by section 4915, they are adverse parties within the meaning of the law. *Cleveland Trust Co. v. Nelson* (D. C.) 51 F. (2d) 276. Of course, this Court should not entertain jurisdiction in the absence of such indispensable parties. *Ettenberg v. Blair* (D. C.) 36 F. (2d) 989."

The case on which Justice Bailey relied (*Nachod & United States S. Co. v. Automatic Signal Corporation*, 105 F. (2nd) 981) in granting petitioner's motion supports respondent rather than petitioner's contention. The majority of the Court speaking through Judge Learned Hand held that even an exclusive licensee had such an adverse interest within the meaning of Section 4915 R. S. as to make such exclusive licensee an indispensable party. The dissenting opinion of Judge Patterson turned only upon the interest of an exclusive licensee. Judge Patterson however pointed out that Section 4915 gives a remedy to a defeated applicant in the Patent Office and added that the word applicant "doubtless refers to the assignee in cases where the alleged inventor has assigned his application for patent" (p. 985). Standard having a remedy it must follow that it has an interest which is adverse to the interest of both respondent and petitioner.

In *United States v. Washington Institute of Technology*, 47 F. Supp. 384, the District Court for the District of Delaware in an action under R. S. 4915 had occasion to consider what parties were "adverse" so as to be indispensable in the action. The contention was there made that the failure to join the inventor-assignor was fatal. The Court (Judge Leahy) pointed out that Section 4915 R. S. requires "notice to adverse parties" and that under



the definition in *Shields v. Barrow*, 17 How. 130, 139, indispensable parties were “\* \* \* Persons who not only have an interest in the controversy, but an interest of such a nature that a final decree cannot be made without either effecting that interest, or leaving the controversy in such a condition that its final termination may be wholly inconsistent with equity and good conscience.”

It is submitted that any determination as to the right of either petitioner or respondent to a patent cannot be made without effecting the interest of Standard. The mere fact that Standard has not appeared in the present case does not change this, particularly in view of the provisions of Rule 55(c) of the Rules of Civil Procedure where, for good cause shown, the Court even now may set aside the default and permit Standard to litigate.

### **Petitioner's Reasons Relied Upon For The Allowance Of The Writ**

Petitioner advances two purported reasons why the writ should be allowed. The first is that the effect of the decision of the Court of Appeals will be to limit all litigation under 4915 to actions in the District Court for the District of Columbia. There is nothing in the decision of the Court of Appeals which justifies this statement. Petitioner further asserts that there has been discord among the lower federal courts on the point but petitioner cites no case and respondent knows of no case in which any court has held that a party to an interference in the Patent Office was not an adverse party and hence not an indispensable party in a subsequent action under Section 4915 R. S. The cases discussing the status of the Commissioner of Patents are obviously not pertinent.

As a second reason, petitioner states that the decision of the Court below is “clearly contrary to the purpose and intent of Congress in enacting the Act of March 3, 1927”

(Pet. p. 5). In its argument at page 13, petitioner states that the Congressional intent was limited to a situation "where a part interest in a patent is assigned so that a part owner might live in New York and a part owner in the far West". Report No. 713, however, states at the very outset that:

"The purpose of this bill is to make it more practicable to bring suit in instances where an applicant fails to get his patent from the Patent Office but is compelled to go into Court, and to make it also more practicable for him to obtain service on interested parties."

The report then states two instances which would be covered, one of which is quoted in part by petitioner. The other instance deals with a situation where three or more persons claim an interest in a patent and one resides in a foreign country. The report closes with the comment that the committee believes the amendment necessary "in order to simplify procedure in the courts where two or more persons *claiming an interest* reside in different jurisdictions". (Italics ours.)\* There is no limitation disclosed in this report such as is suggested by the petitioner.

### Public Importance

Petitioner here again asserts, as the basis for his plea that the question is of public importance, that the third party in suit, namely, Standard, is not an adverse party. It is respectfully submitted that the mere repetition of an unfounded assertion cannot give the dignity of public importance to the petition here tendered to this Court.

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\*For convenience of the Court this short report is printed in full in the appendix.

### Conclusion

Copending with the action at bar is another action under Section 4915 R. S. between the same petitioner and respondent on the same general subject matter but involving a different third party.\* The same motion to dismiss was made in that action and granted by Justice Bailey (R. 14). An appeal was taken from this decision to the Court of Appeals for the District of Columbia which noted that that appeal was a companion case to No. 8236, *Robinson et al. v. Wayne et al.* That motion and appeal involved the same asserted fundamental question concerning the jurisdiction of the Court and the matter of what constitutes adverse parties. The Court of Appeals reversed Justice Bailey and held that the case came clearly within the statute and that the District Court had jurisdiction. No application for a writ of certiorari was made by Wayne, in that case, and the mandate in that case has gone down and petitioner's time to answer has been extended to October 15, 1943.

It is curious, in view of the petitioner's urgent plea in this case, based on the asserted hardship to which he will be exposed by being forced to defend his rights in the District of Columbia more than 1500 miles from home (Pet. p. 3), a plea which is repeated under the Reasons Relied Upon for the Allowance of the Writ (R. 5) and again in the discussion under Public Importance (R. 6), that no application for relief was made in the companion case. It is suggested that this petition is not brought in good faith but for the purpose of delaying a trial of the action on its merits.

The petition should be denied.

Respectfully submitted,

RAYMOND F. ADAMS

LEE B. KEMON

Counsel for Respondents.

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\**Vietti v. Wayne*, 57 U. S. Pat. Q. 516.